

# EXHIBIT A

U-00337

## CALIFORNIA FIRST LEASING CORP.

18201 VON KARMAN • SUITE 800  
IRVINE, CALIFORNIA 92612  
TELEPHONE [800] 496-4640 FACSIMILE [949] 255-0501

## FACSIMILE TRANSMISSION

THIS MESSAGE IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY TO WHICH IT IS ADDRESSED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE. THANK YOU.

Information Page

Rheon, Inc.

TO: Clare Douglas

FROM: Rah-miel Mitchell, Ext. 391

FAX NO.: (949) 837-5797

RE: CALFIRST LEASE PROPOSAL

NUMBER OF PAGES:

TRANSMISSION DATE: January 19, 2005

IF YOU DO NOT RECEIVE ALL PAGES OR IF THEY ARE NOT LEGIBLE,  
PLEASE CALL US IMMEDIATELY AT [800] 496-4640.

Clare,

Attached is the signed proposal/ part one. Part two will come later today; however go ahead and start shipping out the "KN400 Cornucopia" for Tom.

Sincerely,  
Rah-miel Mitchell

SN# 1140 ~ 2.

EXHIBIT

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ALL-STATE LEGAL SUPPLY CO.

Pellegrino  
January 17, 2005  
Page 2

QUOTATION:

#U00719

PURCHASE PRICE:

~~\$65,770.00~~

\$17,000.00

PAYMENT TERMS:

See page 1

25% down payment due with order  
75% due prior to shipment

This proposal shall be subject to change or withdrawal at any time before acceptance by the Buyer, and in any event, shall be void unless accepted by Buyer and notification thereof received by the Seller within 30 days from the date hereof. The accepted proposal shall not be binding upon Seller until its ratified by a duly authorized officer or agent of Seller. Acceptance must be on the exact terms and conditions set forth herein. A purchase order covering the equipment specified herein shall be considered by both Buyer and the Seller to be merely an acceptance of this proposal on the terms and conditions set forth herein, and any other terms and conditions which may be printed or contained on such purchase order which are in addition to, in conflict with, or inconsistent with this proposal, shall not be applicable and shall have no force or effect.

No Dealer  
Rheon U.S.A. Sales Representative (Dealer)  
(Signature)

Gary Seiffer  
Rheon U.S.A. Sales Representative  
(Please Print)

ACCEPTANCE BY BUYER:  
The above proposal is hereby accepted:

APPROVAL BY SELLER:  
Approved and accepted:

Buyer: Pellegrino

Seller: Rheon U.S.A., Inc.

by

Tom Pellegrino  
Buyer, Title (Signature)

by

[Signature]  
Rheon U.S.A. Staff (Signature)on this 18 day of January, 2005.on this 18 day of January, 2005.

**RHEON U.S.A.**

Food Processing Machinery Manufacturer

**RHEON**9450 Tolcan Way  
Irvine, CA 92618  
Telephone (949) 768-1900  
Fax (949) 855-1991**Pellegrino**

100 Look Out Road

Warren, PA 16365

Quote: # U00719

January 17, 2005

Rheon U.S.A. is pleased to offer you pricing for our KN400 Cornucopia with options as follows:

QTY	DESCRIPTION	#	SUS PRICE
13	KN400 Cornucopia 220V, 60HZ 3 Phase Includes 2 sets of Nozzles (24+56mm & 36+56mm) To Be Determined Includes 2 Shutters (X Shutter and D Shutter)	57,000 - Each	\$63,000.00 \$17,000.00

13

Special Ring

17,000.00

SUBTOTAL:	\$63,225.00
INSTALLATION:	\$1,000.00
FREIGHT:	\$1,000.00
GRAND TOTAL:	\$65,225.00

NOTE: PRICES ARE U.S.

**TERMS:****DELIVERY TERMS:**

F.O.B. San Pedro, California

\*Cost of freight is included in the above price.

**DELIVERY TIME:**Within one (1) month after receipt of down payment. ~~ASAP~~ After financing confirmation**PAYMENT TERMS:**25% down payment with order  
75% due prior to shipment**GUARANTEE:**

One (1) year against any fault in material and/or workmanship

**REMARKS:**

The above price includes the services of one (1) Rheon U.S.A. Engineer for two (2) days of installation and training of buyer's personnel at buyer's location. All uncrating and unloading of equipment above is the responsibility of the buyer.

**VALIDITY OF OFFER:**

Thirty (30) days from the date shown above

Note: Deposit Check of \$3,000. is not to be cashed or Deposited. Customer will lease 100% After Confirmation by leasing co. Deposit to be Returned. Leasing to pay Rheon within 15 Days of Contract.

OFFER ONLY:

This offer is subject to the review and acceptance of Lessor's Finance Committee. The monthly rent payment specified above is based upon an equally maturing U.S. Treasury Note index of 3.12%. In the event this index rate increases prior to funding, the payment may be adjusted to reflect this change.

EXPIRATION DATE: 01/10/2005

Should this proposal meet your requirements, please sign below and return with the deposit check in the amount specified above. Although I will be in contact, please don't hesitate to call me at 800-498-4640 ext. 391 or e-mail me at [rahmitch@calfirstleasing.com](mailto:rahmitch@calfirstleasing.com).

Sincerely

Rah-miel Mitchell  
Account Executive

Acknowledged and agreed to by:

Pellegrino Food Products

Name: Tom Pell

Title: Pres.

Date: 1-18-05

Mike Curtis  
Vice President  
California First Leasing Corporation

CalFirst Leasing is a wholly-owned subsidiary of California First National Bancorp ("CFNB"), and is an affiliate of California First National Bank, an FDIC-insured National Bank. CFNB is a public company with its stock traded on the NASDAQ National Market System under the symbol "CFNB".


**California First**

 California First Leasing Corporation  
 a Subsidiary of California First National Bancorp

January 14, 2005

 Tom Pellegrino  
 Chief Financial Officer  
 Pellegrino Food Products  
 100 Lookout St  
 Warren, PA 16385-1630

Dear Tom:

California First Leasing Corporation is very pleased to submit the following proposal for your review. We look forward to beginning our relationship with Pellegrino Food Products.

<b>LESSEE:</b>	Pellegrino Food Products
<b>LESSOR:</b>	California First Leasing Corporation
<b>LEASED PROPERTY:</b>	Packaging & Labeling Equipment <i>production/</i>
<b>PROPERTY COST/LOCATION:</b>	\$175,000 Warren, PA <i>171,000</i>
<b>ANTICIPATED DELIVERY DATE:</b>	January-April, 2005
<b>BASE LEASE TERM:</b>	24 months
<b>MONTHLY RENTAL PAYMENT:</b>	<del>\$7,226.00</del> <i>\$7,549.00</i> <i>5739.00</i> <i>7.5</i>
<b>Lease Rate Factor:</b>	0.04415 <i>0.044</i>
<b>DEPOSIT:</b>	57,726. The deposit remitted with this offer shall be returned to Lessee (without interest thereon) if Lessor does not accept this lease transaction.
<b>END OF TERM PURCHASE OPTION:</b>	Purchase the Property for \$1.00
<b>NET LEASE:</b>	This is a net lease transaction whereby insurance, maintenance and taxes are the Lessee's responsibility. Any manufacturer's warranty obtained by Lessor regarding the Property will be passed on to the Lessee.
<b>GUARANTORS:</b>	As required by Lessor's Finance Committee.
<b>DOCUMENTATION:</b>	All paperwork pertaining to this lease transaction will be Lessor's standard Lease Agreement, Schedule(s) and supporting documents.

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PELLEGRINO FOOD PRODUCTS

01/13/2005 15:54 FAX 814 723 3810